



STATE BOARD OF EQUALIZATION  
PROPERTY AND SPECIAL TAXES DEPARTMENT  
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Executive Director

No. 2010/020

April 9, 2010

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

AGRICULTURAL AND CONSTRUCTION EQUIPMENT FACTORS

Assessors' Handbook Section 581, *Equipment and Fixtures Index, Percent Good and Valuation Factors* (AH 581), is used by county assessors in the mass appraisal of personal property and fixtures for property taxation purposes. The index factors published in AH 581 are generally reliable for converting a property's original cost to an estimate of reproduction cost new. Percent good factors, which are the complement of depreciation factors, are then applied to the reproduction cost new to arrive at an estimate of market value.

AH 581 contains the following tables:

- Table 3: *Agricultural and Construction Equipment Index Factors*
- Table 5: *Construction Mobile Equipment Percent Good Factors*
- Table 6: *Agricultural Mobile Equipment Percent Good Factors*

Board staff has initiated a project to review and revise, where appropriate, the factors for agricultural and construction equipment contained in the above tables. We are currently in the information gathering phase of the project. We would appreciate any market information and/or studies that you may have and would be willing to share with us. All information provided will be used only for this project and will not be disclosed.

As this project progresses, we will seek input from industry and county assessors. If you have information that you can share or have questions regarding this project, you may contact Isaac Cruz at 916-323-2146 or at isaac.cruz@boe.ca.gov.

Sincerely,

/s/ Lynn Bartolo for

David J. Gau  
Deputy Director  
Property and Special Taxes Department

DJG:sk